

CITY COUNCIL OF THE CITY OF ANNAPOLIS

ORDINANCE NO. O-40-04Revised

Introduced by Mayor Moyer

LEGISLATIVE HISTORY

First Reader:	Public Hearing:	Fiscal Impact Note:	120 Day Rule:
12/13/04	2/28/05	2/28/05	4/12/05

Referred to:	Meeting Date:	Action Taken:
Rules and City Government	3/14/05	Favorable
Economic Matters	3/14/05	Favorable

AN ORDINANCE concerning

Park Place Development District

FOR the purpose of the creating tax increment development districts, and coincident thereto, special taxing districts, relating to the Park Place Development District created by R-8-01 and O-14-01, and providing for and determining certain matters in connection with Park Place Development District and the special obligation bonds authorized by such Resolution and Ordinance; and matters generally relating to said uses.

* * * * *

RECITALS

WHEREAS On May 14, 2001 the City Council of the City of Annapolis (the "City") adopted R-8-01 and O-14-01 pursuant to the Tax Increment Financing Act, being Sections 14-201 through 14-214, inclusive, of Article 41 of the Annotated Code of Maryland (2003 Replacement Volume and 2004 Supplement), and the Special Taxing District Act, being Section 44A of Article 23A of the Annotated Code of Maryland (2001 Replacement Volume and 2004 Supplement).

WHEREAS R-8-01 created the "Park Place Development District" as a "development district" under the Tax Increment Financing Act and a "special taxing district" under the Special Taxing District Act. Since the adoption of R-8-01,

1 the parcels constituting Park Place Development District have been
2 consolidated and currently consist of the following tax lots: (1) Tax Map 7-
3 Z, Grid 9, Parcel 53 less the Parcel that was identified as 654 at the time of
4 adoption of R-8-01, (2) Tax Map 7-Z, Grid 9, Parcel 55, and (3) Tax Map 3-
5 Z, Grid 22, Parcels 295 and 345.
6

7 **WHEREAS** O-14-01 authorized the issuance of not to exceed Twenty-Five Million
8 Dollars (\$25,000,000) aggregate principal amount of special obligation
9 bonds of the City (the "Bonds") for the purpose of financing the acquisition,
10 construction and equipping of a public parking garage and related land and
11 improvements to be located at the intersection of West Street and Taylor
12 Avenue (the "Public Improvements"). The Public Improvements shall
13 include, by way of general description and not limitation, (1) a parking
14 garage consisting of approximately 1,114 spaces and including a public
15 garage unit owned by the City consisting of no less than 680 spaces and
16 (2) various public utilities required for the project of which the public
17 parking garage is a part, as further described in the Development
18 Agreement between the City and JBJ/Carlyle Park Place L.P. LP.
19

20 **WHEREAS** Pursuant to R-22-04, the City has approved the Rate and Method of
21 Apportionment of Special Taxes for Park Place Development District.
22

23 **WHEREAS** The owner ~~six business trusts which are the owners~~ of the land comprising
24 Park Place Development District ~~has~~ have petitioned the City in a petition
25 dated December 13, 2004, and revised as of February 9, 2005 (the
26 "Petition"), to (1) create one new special taxing district consisting of ~~that~~
27 ~~portion of Tax Map 3-Z, Grid 23, Parcel 204 located south of the right-of-~~
28 ~~way access road leading from Taylor Avenue in an easterly direction to the~~
29 ~~rear of the Loews Annapolis Hotel,~~ a second new special taxing district
30 consisting of former Parcel 654 designated on Tax Map 7-Z, Grid 9, and a
31 third new special taxing district consisting of ~~that portion of Tax Map 7-Z,~~
32 ~~Grid 3, Parcel 73 shown on Exhibit One~~ 644, and a fourth new special taxing
33 district consisting of Tax Map 7-Z, Grid 3, Parcel 73, other than that portion
34 located on the interior of such Parcel and bordering Tax Map 7-Z, Grid 9,
35 Parcel 53 (the "Parcel 73 Excluded Portion"), as shown on the exhibit
36 identified as "Exhibit 2" dated February 3, 2005, prepared by Drum, Loyka &
37 Associates, LLC, and attached hereto (collectively the "Additional
38 Property"), each of which is contiguous to the land comprising Park Place
39 Development District, and (2) impose the Special Tax (as defined in
40 Resolution No. R-8-01) based upon the property comprising, collectively,
41 Park Place Development District and the Additional Property.

42 **WHEREAS** The signers of the Petition have also requested the City in the Petition to
43 remove from Park Place Development District as a "special taxing district"
44 established by Resolution No. R-8-01 that portion of Tax Map 7-Z, Grid 9,
45 Parcel 53, shown on the exhibit identified as "Exhibit 2" attached hereto.

1
2
3 **WHEREAS** In order to provide additional security for the payment of the Bonds and the
4 financing of the Public Improvements and to otherwise accomplish the
5 purposes of the Tax Increment Financing Act and the Special Taxing
6 District Act, the City desires to create new development districts and special
7 tax districts under the Special Taxing District Act and the Tax Increment
8 Financing Act, respectively, from the Additional Property and to calculate
9 the Special Tax and the Tax Increment (each as defined in Resolution No.
10 R-8-01 and Ordinance No. O-14-01) based upon the property comprising,
11 collectively, Park Place Development District and the Additional Property. It
12 is the intention of the City that Park Place Development District remain as
13 created pursuant to Resolution No. R-8-01 and that the Special Tax and the
14 Tax Increment be calculated taking into consideration the Additional
15 Property, as provided in this Ordinance.

16
17 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS**
18 **CITY COUNCIL** that the Recitals to this Ordinance, including the description of the
19 Public Improvements set forth therein, are hereby approved and made a part of this
20 Ordinance.
21

22 **SECTION II: AND, BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
23 **ANNAPOLIS CITY COUNCIL** that a contiguous area of the City consisting of the tax
24 lots and other property set forth below is hereby designated as a “development district”
25 pursuant to the Tax Increment Financing Act and a “special taxing district” pursuant to
26 the Special Taxing District Act: (1) the property comprising ~~that portion of Tax Map 3-Z,~~
27 ~~Grid 23, Parcel 204 located south of the right-of-way access road leading from Taylor~~
28 ~~Avenue in an easterly direction to the rear of the Loews Annapolis Hotel~~ shall be known
29 as “Park Pace Development District II”; (2) the property comprising former Parcel 654
30 designated on Tax Map 7-Z, Grid 9 shall be known as “Park Place Development District
31 III”; ~~and (3) the property comprising that portion of Tax Map 7-Z, Grid 3, Parcel 73~~
32 ~~shown on Exhibit One attached hereto 644~~ shall be known as “Park Place Development
33 District IV”; and (4) the property comprising Tax Map 7-Z, Grid 3, Parcel 73 shall be
34 known as “Park Place Development District V” except that the Parcel 73 Excluded
35 Portion shall not constitute a portion of “Park Place Development District V” for
36 purposes of it being a “special taxing district” pursuant to the Special Taxing District Act.

37
38 **SECTION III: AND, BE IT FURTHER ESTABLISHED AND ORDAINED BY**
39 **THE ANNAPOLIS CITY COUNCIL** that.
40

41 ~~**SECTION III**~~ **SECTION IV: AND, BE IT FURTHER ESTABLISHED AND**
42 **ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that Park Place Development
43 District II, Park Place Development District III ~~and~~, Park Place Development District IV
44 ~~and Park Place Development District V~~ shall be considered together with Park Place
45 Development District created pursuant to Resolution No. R-8-01 as one “development

district" under the Tax Increment Financing Act and as one "special taxing district" under the Special Taxing District Act (except, as provided above, for the Parcel 73 Excluded Portion) for purposes of calculating, imposing and collecting the Special Tax and the Tax Increment (each as defined in Resolution No. R-8-01). All references to "Park Place Development District", "Development District", "Special Taxing District" or "Park Place Special Taxing District" in Resolution No. R-8-01, Ordinance No. O-14-01, Resolution No. R-22-04 and in the Rate and Method of Apportionment of Special Taxes approved by Resolution No. R-22-04 (the "Rate and Method"), shall be deemed to include Park Place Development District II, Park Place Development District III, Park Place Development District IV and Park Place Development District IVV, and all terms and provisions of Resolution No. R-8-01, Ordinance No. O-14-01 and the Rate and Method shall apply to Park Place Development District, as including Park Place Development District II, Park Place Development District III, Park Place Development District IV and Park Place Development District IVV, except that the Original Assessable Base (as defined in Resolution No. R-8-01) for Park Place Development District II, Park Place Development District III and, Park Place Development District IV and Park Place Development District V shall be determined as of January 1, 2004. Any document relating to the Bonds (the "Bond Documents") referring to Park Place Development District as modified, augmented or expanded shall be deemed to refer in each such Bond Document to Park Place Development District as expanded by the Additional Property and as reduced as provided in Section 3 of this Ordinance, and, without limitation, it is intended that the Contribution Agreement dated as of February 1, 2005, by and between the City and Anne Arundel County, Maryland shall be fully operative in this regard without any further amendment to this agreement.

~~SECTION IV~~ SECTION V: AND, BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL That the Rate and Method is hereby found to be a reasonable and fair allocation of the cost of the Public Improvements taking into consideration the Additional Property and the removed property provided in Section 3 of this Ordinance.

~~SECTION V~~ SECTION VI: AND, BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL, That the provisions of this Ordinance are severable, and if any provision, sentence, clause, section or part hereof is held or determined to be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance or their application to other persons or circumstances, it is hereby declared to be the legislative intent that this Ordinance would have passed if such illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, section or part had not been included herein, and as if the person or circumstances to which this Ordinance or any part hereof are inapplicable had been specifically exempted herefrom.

**SECTION VI SECTION VII: AND BE IT FURTHER ESTABLISHED AND
ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect
from the date of its passage.

ADOPTED this 14th day of March, 2005.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

Deborah Heinbuch, MMC
City Clerk

BY: _____
ELLEN O. MOYER, MAYOR

EXPLANATION:

Highlighting indicates matter added to existing law.
~~Strike out indicates matter deleted from existing law.~~
Underlining indicates amendments.

1

PETITION

To Create Additional Special Taxing Districts

Park Place Development District

December 13, 2004

(revised as of February 9, 2005)

The City Council of the
City of Annapolis
160 Duke of Gloucester Street
Annapolis, Maryland 21401
Attn: City Clerk

To the Honorable City Council:

This is a petition requesting the creation of new "special taxing districts" continuous to an existing "special taxing district" as that term is used in Article 23A, Section 44A, of the Annotated Code of Maryland (2001 Replacement Volume and 2004 Supplement) (the "Act"), within the City of Annapolis (the "City"), and other action.

1. Existing Special Taxing District. This petition relates to the Park Place Development District, an existing special taxing district created by the City pursuant to Resolution No. R-8-01, passed on May 14, 2001. Such existing special taxing district consists of an 11.05-acre parcel of land located in the northeast quadrant of the intersection of West Street and Taylor Avenue in the City and was identified in Resolution No. R-8-01 as consisting of the tax lots identified as Tax Map 7-Z, Grid 9, Parcels 52-59, 75-76, 122, 651 and 652, and Tax Map 3-Z, Grid 22, Parcel 295. Since the adoption of Resolution No. R-8-01, the parcels constituting Park Place Development District have been consolidated and currently consist of the following tax lots: (i) Tax Map 7-Z, Grid 9, Parcel 53 (less the Parcel that was identified as Parcel 654 at the time of adoption of Resolution No. R-8-01), (ii) Tax Map 7-Z, Grid 9, Parcel 55, and (iii) Tax Map 3-Z, Grid 22, Parcels 295 and 345.

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3

2. Petitioners. This petition is submitted by the six business trusts identified below as the owners as tenants-in-common of four additional Parcels which are adjacent to the Park Place Development District and are described as follows: (i) Tax Map 3-Z, Grid 23, Parcel 204, (ii) former Parcel 654 designated on Tax Map 7-Z, Grid 9, (iii) Tax Map 7-Z, Grid 3, Parcel 644, and (iv) Tax Map 7-Z, Grid 3, Parcel 73, other than that portion located on the interior of such Parcel and bordering Tax Map 7-Z, Grid 9, Parcel 53 (defined herein as the "Additional Property") all of which Additional Property as found on the map attached hereto as Exhibit "A". By submitting this petition, the signers of the petition warrant to the City that they are authorized to execute the petition.

3. Ownership of Property. The signers of this petition warrant to the City that they are the owners of 100 percent of the property located within the boundaries of the existing special taxing district (except for Parcel 55 and Parcel 345 which are owned by the City) and all of the Additional Property and are the owners of property with 100 percent of the assessed value of the real property within the boundaries of the existing special taxing district and of the Additional Property, determined as prescribed by the Act. The signers of this petition confirm that they consent to the boundaries of the existing special taxing district and to the imposition of the special taxes by the City pursuant to the Rate and Method of Apportionment of Special Taxes adopted by the City in Resolution R-22-04 adopted on December 13, 2004 (the "Rate and Method").

4. Proceedings Requested. The signers of this Petition for themselves, and their respective successors and assigns, request that the City Council of Annapolis, Maryland ("City Council") undertake proceedings under the Act to create one or more new special taxing districts which comprise the Additional Property and to include such special taxing districts within the designation of the "Park Place Development District" (the "District") for the purposes of calculating, imposing and collecting the Special Tax (as defined in Resolution R-8-01) pursuant to the Rate and Method. In addition, the signers of this Petition request that the portion of Tax map 7-Z, Grid 9, Parcel 53 shown on Exhibit "A" hereto be removed from the District as a "special taxing district" established by Resolution No. R-8-01.

5. Purpose of the District. The purpose of the Park Place Development District and the Special Tax to be levied by the City shall be to finance, in part, the infrastructure improvements related to the development of the District which consists of a portion of the parking garage (the "Garage") for the Park Place Project, encompassing 680 spaces out of the approximately 1,114 total spaces proposed to be included in the Garage as designed, such portion of the Garage to be owned by the City and to fund the cost of the relocation of certain water and sewer lines and other public utilities related to the Park Place Project.

6. Address. All notices and correspondence related to the proposed District shall be addressed as follows:

If intended for Owners:

JBJ/Carlyle Park Place, L.P.
c/o JBJ Management Company, Inc.
Jerome J. Parks Companies
275 West Street, Suite 218
Annapolis, Maryland 21404
Attn: Jerome J. Parks, President

and Carlyle Annapolis Park Place GP, L.L.C.
c/o The Carlyle Group
1001 Pennsylvania Avenue, NW
Suite 220 South
Washington, DC 20004
Attn: Gary E. Block

With copies to:

John R. Orrick, Jr., Esq.
Linowes and Blocher LLP
7200 Wisconsin Avenue, Suite 800
Bethesda, Maryland 20814

and Bruce E. Kosub, Esq.
Katten Muchin Zavis Rosenman
1025 Thomas Jefferson Street, N.W.
East Lobby, Suite 700
Washington, DC 20007

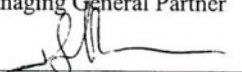
By executing this petition, the persons below agree to all of the above.

Name of the owners are:

PARK PLACE TRUST, a Maryland Business Trust

By: JBJ/Carlyle Park Place LP, a Delaware limited partnership, as Trustee

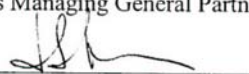
By: JBJ Management Company, Inc., a
Maryland limited liability company,
Its Managing General Partner

By: 
Name: Jerome J. Parks
Title: President

PARK PLACE II TRUST,
a Maryland Business Trust

By: JBJ/Carlyle Park Place LP, a Delaware limited partnership, as Trustee

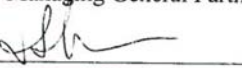
By: JBJ Management Company, Inc., a
Maryland limited liability company,
Its Managing General Partner

By: 
Name: Jerome J. Parks
Title: President

PARK PLACE III TRUST,
a Maryland Business Trust

By: JBJ/Carlyle Park Place LP, a Delaware limited partnership, as Trustee

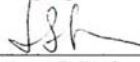
By: JBJ Management Company, Inc., a
Maryland limited liability company,
Its Managing General Partner

By: 
Name: Jerome J. Parks
Title: President

PARK PLACE PARKING TRUST,
a Maryland Business Trust

By: JBJ/Carlyle Park Place LP, a Delaware
limited partnership, as Trustee

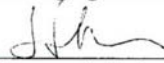
By: JBJ Management Company, Inc., a
Maryland limited liability company,
Its Managing General Partner

By: 
Name: Jerome J. Parks
Title: President

PARK PLACE RESIDENTIAL CONDOMINIUM
TRUST, a Maryland Business Trust

By: JBJ/Carlyle Park Place LP, a Delaware
limited partnership, as Trustee

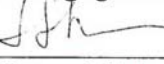
By: JBJ Management Company, Inc., a
Maryland limited liability company,
Its Managing General Partner

By: 
Name: Jerome J. Parks
Title: President

PARK PLACE HOTEL TRUST,
a Maryland Business Trust

By: JBJ/Carlyle Park Place LP, a Delaware
limited partnership, as Trustee

By: JBJ Management Company, Inc., a
Maryland limited liability company
Its Managing General Partner

By: 
Name: Jerome J. Parks
Title: President

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1

Exhibit One was deleted

3

ORDINANCE EXHIBIT 2 SHOWING PROPOSED LIMITS

**PARK PLACE
SPECIAL TAXING DISTRICT**

T.M. HOW & S. PARCELS 53, p/o 73, p/o 204, 206, 345
ANAPOLIS, MARYLAND

DATE: 3 FEBRUARY 2005

